



Implementing and Replicating Successful Strategies: Implementation Models from DOE's Better Buildings Challenge Partners

May 30, 2013

1:15pm-2:30pm MT



- ▶ 1:15 Welcome , Definitions & Introductions

- ▶ 1:25 Implementation Model #1
Marcy Schaefer, Kohl's

- ▶ 1:40 Implementation Model #2
Nicholas Stolatis, TIAA-CREF

- ▶ 1:55 Implementation Model #3
Anne White, Transwestern

- ▶ 2:05 Panel Discussion
- ▶ 2:30 Adjourn

Better Buildings Challenge “3 Pillars”

- ▶ Facility-level, portfolio-wide Energy Performance Data
- ▶ Showcase Project
- ▶ Implementation Model



What is an Implementation Model?

- ▶ Addresses widespread barrier to achieving energy efficiency
- ▶ Innovative but replicable
- ▶ Is related to organizational processes, high-level corporate decision-making and policies, business decisions, or financial and budget structures – not techno-centric
- ▶ Has led to demonstrated, measurable results



Introductions



Anne White, LEED AP O+M
Program Coordinator
Sustainability Services
Transwestern



Marcy M. Schaefer
Sustainability Project Manager
Kohl's Department Stores



Nicholas E. Stolatis, CPM, RPA, LEED AP
Sr. Director - Global Sustainability & Enterprise Initiatives
TIAA-CREF Financial Services





KOHL'S

▶ **ORGANIZATION TYPE**

Retail

▶ **BARRIER**

Getting and defending sustained corporate funding for energy efficiency projects

▶ **SOLUTION**

Create a partnership between the Finance and the Energy teams

▶ **OUTCOME**

The Energy team has an annual “new technology” budget to test emerging technologies and a Financial Analyst liaison to expedite expense requests

Energy Finance Strategy



▶ **PROCESS**

- Filled open position on the Energy team by “embedding” a member of the company’s Finance department (business unit financial analyst)
- Analyst reported to Finance department, but was seated with the Energy team
- Analyst worked to enhance communication and understanding between the two departments, and to communicate the benefits of energy projects in financial terms
 - Wrote all Capital Expense Requests and performed all project analyses, budgeting, and forecasting
 - Used statistical analysis tool to identify, evaluate, and select portfolio-wide efficiency project opportunities

Energy Finance Strategy



▶ **MEASURING SUCCESS**

- Tracking energy consumption and costs to demonstrate results of energy reduction projects
- Energy team members and Financial Analyst have access to the company's bill payment system to track electricity, gas, and water usage
- Data used to validate previous projects and obtain buy-in for future projects



▶ **OUTCOMES**

- More direct avenue to the CFO and decreased approval time for energy efficiency projects
- Established an “emerging technologies budget,” allowing Kohl's to pilot 2-3 new programs for 10-20 stores per year
- Estimated savings of around \$50 million between 2006 and 2010.
- More than 700 ENERGY STAR certified stores



▶ **ORGANIZATION TYPE**

Commercial Property Management

▶ **BARRIER**

A lack of visibility into the energy and water usage of the third-party-managed assets

▶ **SOLUTION**

Adding sustainability metrics to the existing property governance scorecard, part of a formal performance assessment of third-party property managers

▶ **OUTCOME**

TIAA-CREF can better understand resource costs, estimate savings associated with improvement projects, and verify that projected results are achieved



Data Update and Certification Scorecard



▶ POLICIES

- Established energy and water usage tracking as a key priority
- Made energy and water efficiency achievements part of the property manager annual review process



▶ PROCESS

- Scorecards generated quarterly, based on review of data in a Portfolio Manager master account
- Energy and water tracking judged by how well data have been kept current
- Also tracking the number of ENERGY STAR-eligible buildings that have/have not applied for certification
- Variances allowed on a case-by-case basis
- Relative performance to peers communicated across all participating property management firms, to drive healthy competition.



Data Update and Certification Scorecard



▶ MEASURING SUCCESS

- Each quarter, individual properties receive scores that reflect their energy tracking, water tracking, and certification efforts
- Overall success of the initiative is measured by the percentage of TIAA-CREF's properties that are up-to-date in Portfolio Manager



▶ OUTCOMES

- Fewer than 6 months to update scorecard, secure buy-in, and launch program
- Percentage of buildings with current energy and water data has increased from 55% to 90% (energy) and 80% (water)
- Increased attention to benchmarking allows better reporting and analytics at the property and portfolio level, as well as more opportunities for property managers to document achievements and identify opportunities



Better Buildings Challenge Implementation Models



▶ **ORGANIZATION TYPE**

Commercial Real Estate, Property Management

▶ **BARRIER**

Lack of advanced benchmarking system, procedures to identify cost-effective opportunities, and methods to rate and track performance in energy efficiency and sustainability

▶ **SOLUTION**

Good, Better...BEST Standards of Sustainability

▶ **OUTCOME**

Able to identify individual buildings that excel in energy efficiency and sustainability, assist properties to achieve goals, and promote continuous improvements at Transwestern-managed properties



Good, Better...BEST Standards of Sustainability



▶ POLICIES

- Adopted “Standards of Sustainability” policy directing each property to:
 - Benchmark in Portfolio Manager monthly and pursue certification plaques for all eligible buildings.
 - Complete a no- and low-cost operations and maintenance checklist annually, and implement all initiatives applicable to the property.
 - Identify and present to owners all energy-saving lighting and re-lamping opportunities that meet a 2.5 year simple payback or better, incorporating local utility company rebate programs
- Also developed standards for energy usage, annual engineering audits, and building operating plans



▶ PROCESS

- Obtained senior management buy-in, to drive commitment down through the organization
- Communicated the initiative through webinars
- Developed a group of “Sustainability Experts” to assist property-level staff (train-the-trainer)
- Hold monthly engineering call to review results
- Approximately 2 years to develop, launch and begin implementation



Good, Better...BEST Standards of Sustainability



▶ **TOOLS & RESOURCES**

- Matrix evaluates each building's progress in 5 operational areas (energy, water, waste, O&M practices, IAQ)
- Program calendar to help schedule O&M activities and remind property managers of applicable deadlines
- Checklists and instructions for performing annual audits



▶ **MEASURING SUCCESS**

- Annual online survey asks property managers to identify their performance on the matrix
- Survey results used to generate a "sustainability scorecard" for the property



▶ **OUTCOMES**

- 32% more buildings completed survey in 2012, compared to 2011
- 8% increase in buildings benchmarking energy and water consumption
- Average portfolio-wide ENERGY STAR score of 81



PANEL DISCUSSION



See all Implementation Models at:

<http://www4.eere.energy.gov/challenge/implementation-model>

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